

# **Palmerston North Performing Arts Trust**

**Financial Statements  
for the year ended  
30 June 2019**

## **PALMERSTON NORTH PERFORMING ARTS TRUST**

### **Statement of entity information for the year ended 30 June 2019**

**1. Reporting entity**

Palmerston North Performing Arts Trust (the Trust).

**2. Type of entity & legal basis**

The Trust is a charitable trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is controlled by Palmerston North City Council but is exempted under s7(3) of the Local Government Act 2002 from being a council-controlled organisation. This exemption was renewed by way of resolution on 27 June 2016 for a further 3 years. The Trust is a registered Charity (No CC26508) under the Charities Act 2005.

**3. The Trust's purpose or mission**

The primary objective of the Trust is to provide educational opportunities for the development of talented emerging performing artists in the Palmerston North region for the benefit of the public at large in Palmerston North.

**4. Structure of the Trust's operations including governance arrangements**

A Board comprising the Mayor of Palmerston North, two trustees (appointed by the Palmerston North City Council) and two advisory trustees appointed by the Board oversees the governance of the Trust. The Trust is administered by staff of the Palmerston North City Council.

**5. Main sources of the Trust's cash and resources**

Interest from investments is the main source of funding for the Trust.

## **PALMERSTON NORTH PERFORMING ARTS TRUST**

### **Statement of accounting policies for the year ended 30 June 2019**

**1. Basis of preparation**

The Trustees have elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* on the basis that the Trust does not have public accountability (as defined) and has total expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

**2. Goods and Services Tax**

The Trust is not registered for GST. No GST was payable on revenue and no GST was claimable for expenses.

### **3. Significant Accounting Policies**

#### **3.1. Revenue**

*Grants* – Council, government and other non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met (“use or return condition”). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

*Interest* – interest revenue is recorded as it is earned during the year.

#### **3.2. Bank accounts and cash**

Bank accounts and cash comprise cash on hand, cheque or savings accounts and deposits held at call with banks.

#### **3.3. Debtors**

Debtors are initially recorded at the amount owing. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

#### **3.4. Investments**

Investments comprise investments in term deposits with banks.

#### **3.5. Creditors and accrued expenses**

Creditors and accrued expenses are measured at the amount owed.

## **PALMERSTON NORTH PERFORMING ARTS TRUST**

### **Notes to the Financial Statements**

#### **1 Related Party Transactions**

The Trust had no related party (controlled by Council) transactions (2018 \$nil).

#### **2 Events after balance date**

There are no significant events after balance date.

#### **3 Contingent Liabilities**

The Trust had no contingent liabilities at balance date (2018 \$nil).

**PALMERSTON NORTH PERFORMING ARTS TRUST**

**STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2019**

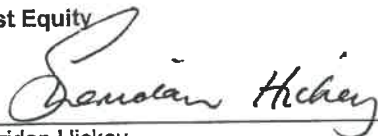
	Actual 2019	Actual 2018
<b>Revenue</b>	\$	\$
Grant from previous year returned	2,500	-
Interest	4,406	4,243
<b>Total Revenue</b>	<b>6,906</b>	<b>4,243</b>
<b>Expenses</b>		
Grants	4,850	6,280
Scholarships	-	-
Audit Fees	2,061	2,034
Administration	50	50
<b>Total Expenses</b>	<b>6,961</b>	<b>8,364</b>
<b>Surplus/(deficit)</b>	<b>(55)</b>	<b>(4,121)</b>

**STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2019**

	Actual 2019	Actual 2018
	\$	\$
<b>Balance at 1 July</b>	123,621	127,742
Surplus/(deficit) for the year	(55)	(4,121)
Total surplus/(deficit) for the year ended 30 June	(55)	(4,121)
<b>Balance at 30 June</b>	<b>123,566</b>	<b>123,621</b>

**STATEMENT OF FINANCIAL POSITION as at 30 June 2019**

	Actual 2019	Actual 2018
<b>Assets</b>	\$	\$
<b>Current Assets</b>		
Bank accounts and cash	285	852
Short term investments	120,172	26,475
Interest accrual	5,195	1,840
<b>Total Current Assets</b>	<b>125,650</b>	<b>29,166</b>
<b>Non Current Assets</b>		
Term investment	-	96,539
<b>Total Non Current Assets</b>	<b>-</b>	<b>96,539</b>
<b>Total Assets</b>	<b>125,650</b>	<b>125,705</b>
<b>Current Liabilities</b>		
Accrued Expenses	2,084	2,084
<b>Total Liabilities</b>	<b>2,084</b>	<b>2,084</b>
<b>Trust Equity</b>	<b>123,566</b>	<b>123,621</b>



Sheridan Hickey  
Chairperson

28-8-2019

These statements should be read in conjunction with the accompanying Statement of Accounting Policies and notes.

**PALMERSTON NORTH CITY PERFORMING ARTS TRUST**

**STATEMENT OF CASH FLOWS for the year ended 30 June 2019**

	<b>Actual 2019</b>	<b>Actual 2018</b>
<b>Cash flows from operating activities</b>	<b>\$</b>	<b>\$</b>
Interest received	1,051	7,521
Grants	(4,850)	(6,280)
Grant from previous year returned	2,500	-
Scholarships	-	-
General operating expenses	(2,111)	(2,084)
<b>Net cash flow from operating activities</b>	<b>(3,410)</b>	<b>(843)</b>
 <b>Cash flows from Investing Activities</b>		
Purchase of term investments	(9,946)	(7,518)
Maturity of term investments	12,788	5,136
<b>Net cash flow from investing activities</b>	<b>2,842</b>	<b>(2,382)</b>
 <b>Net Cash Inflow/(Outflow)</b>	<b>(567)</b>	<b>(3,225)</b>
 <b>Bank accounts and cash at the beginning of year</b>	<b>852</b>	<b>4,077</b>
 <b>Bank accounts and cash at the end of year</b>	<b>285</b>	<b>852</b>

These statements should be read in conjunction with the accompanying Statement of Accounting Policies and notes.

